

Draft Regional Recommendations for the Pacific Northwest on Water Quality Trading



How Willamette Partnership got interested in trading



Increasing the Pace, Scope, Effectiveness of Conservation

Working at the Intersection of Environment and Human Needs

Tualatin River, Oregon

Restoration for compliance, converting...

Cooling Towers

\$60 -
\$150
million

35 miles of restoration
Additional instream flow

\$6
million

FROM THIS...



...TO THIS

Source: Adapted from The Freshwater Trust

Water Quality Trading

An Evolution

- Markets in the 1980s and 1990s
- Over 75 pilots started, 24 actively trading
- Intense interest from EPA and USDA



Water Quality Trading

An Evolution in the Northwest too

- Lower Boise program in the 1990s
- Clean Water Services permit in OR in early 2000s
- WA explores trading in Spokane 2005-2010
- Medford permit in OR, Lower Boise TMDL, Klamath TMDL, etc.



Lessons Learned

From those early pilots

- PROGRAMS EVOLVE IN PHASES: feasibility, convening, design, and operation
- DEMAND IS LIMITING FACTOR
- TRANSACTION VOLUME IS “THIN”
- STATE AGENCIES ARE KEY
- LOCAL PROGRAMS NEED A LOT OF THE SAME THINGS: There are a lot of consistent needs, but local stakeholders need to “own” their design decisions



DRAFT REGIONAL RECOMMENDATIONS

WHY RECOMMENDATIONS? WHY NOW?

- We've learned a lot, but a lot of missing information;
- Increasing interest in and scrutiny of trading;
- Timing is right for principles of quality and consistency;
- More consistency can reduce start-up headaches and make it easier to sustain programs over time.

What's in the Regional Recommendations?

1. Eligibility
2. Baseline & additionality
3. Quantify water quality benefits
4. Translating benefits to credits
5. Credit characteristics
6. Project implementation & quality assurance
7. Project verification & certification
8. Credit registration
9. Compliance & enforcement
10. Roles in program administration
11. Adaptive management & tracking effectiveness

What's next?

- Draft recommendations released August 2014
- Each state to test recommendations 2014-2015
- Update recommendations late 2015
- Each state chooses how to implement recommendations



THANKS!

DOCUMENTS AND UPDATES AVAILABLE AT:

[HTTP://WILLAMETTEPARTNERSHIP.ORG/JOINT-REGIONAL-AGREEMENT-ON-WATER-QUALITY-TRADING-2/JOINT-REGIONAL-AGREEMENT-ON-WATER-QUALITY-TRADING](http://willamettepartnership.org/joint-regional-agreement-on-water-quality-trading-2/joint-regional-agreement-on-water-quality-trading)